Grant of Patents to NRIs for Turmeric

2044. SHRI A.C. JOS : Will the Minister of INDUSTRY be pleased to state:

(a) whether the United States have granted patent to two NRIs on the wound healing properties of tumeric:

(b) if so, whether the Government have assessed the damage it will cause to Indian manufacturers:

(c) if so, the details thereof; and

(d) the steps being taken by the Government to protect Indian interests in this regard?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN) : (a) A patent for a method of promoting healing of a wound by administering turmeric powder to a patient afflicted with the wound has reportedly been granted in USA to two non-resident Indians.

(b) to (d). The patent granted in USA is valid in that country and does not have any legal effect in India. Even then, CSIR and Government of India are taking action in this matter.

Merger of TOMCO with HLL

2045. SHRIMATI GEETA MUKHERJEE : Will the Minister of COMPANY AFFAIRS be pleased to state:

(a) whether the merger of TOMCO with HLL has proved to be a trend setter for merger and acquisitions in the Corporate Sector in the country;

(b) whether the Uniliver group in India has undergone a complete transformation with the acquisitions of a number of companies:

(c) if so, the details thereof;

(d) whether the Government has evolved a clearcut policy to draw a line where the economies of scale end and monopolies begin; and

(e) if so, the details thereof and if not, the reasons therefor?

THE MINISTER OF FINANCE AND MINISTER OF COMPANY AFFAIRS (SHRI P. CHIDAMBARAM) : (a) The amalgamation of TOMCO with HLL has not set a new trend in the country.

(b) and (c). Restructuring of companies belonging to this group has taken place through amalgamation of companies within the group as well as by amalgamation/acquisition of companies from outside the group. Growth, diversification and consolidation of their business activities has taken place, resulting in substantial increase in turnover.

(d) and (e). Concept of "Monopolistic undertaking" as defined under Section 2(j) of the MRTP Act, 1969 was deleted from the Act with effect from 1.8.1984 by the MRTP (Amendment) Act, 1984. In view of this, the question of laying down any apriori distinction between monopolies and economies of scale does not arise. However, the MRTP Commission is empowered to look into allegations relating to the monopolistic, restrictive and unfair trade practices under the provisions of the MRTP Act.

Incentives to Investors by M/s Parasrampuri Synthetics Ltd.

2046. SHRI SANAT KUMAR MANDAL : Will the Minister of COMPANY AFFAIRS be pleased to state:

(a) whether attention of the Government has been invited to the news-item appearing in "The Financial Express", New Delhi dated July 1, 1996 under captioned "Parasram Puria offers gifts to woo investors":

(b) if so, whether the Department of Company Affairs has examined the implications of the Company's brokers offering heavy incentives to attract the investors in the context of the provisions of the existing Companies Act, 1956 and the Rules made thereunder:

(c) if so, the outcome thereof:

(d) whether it is in consonance with the existing Law; and

(e) if not, the steps taken to discontinuance of such malpractices?

THE MINISTER OF FINANCE AND MINISTER OF COMPANY AFFAIRS (SHRI P. CHIDAMBARAM) : (a) Yes, Sir.

(b) to (e). The conduct of stock brokers and sub-brokers is regulated under Stock-Brokers and Sub-Brokers Regulations 1992 issued by the Securities and Exchange Board of India (SEBI). In order to facilitate an examination of the implications in the context of the provisions of the Companies Act, 1956, the Department of Company Affairs (DCA) has requested SEBI to look into the matter and send material regarding whether the offering of heavy incentives was done with direct or indirect assistance of the company.

Fixation of Seniority and Pay in L.I.C.

2047. SHRI RAM NAIK : Will the Minister of FINANCE be pleased to state:

(a) whether any punitive action has been taken against officers of LIC and the Insurance Division of the Finance Ministry for denying the benefits of seniority and fixation as per the orders of the Ministry of Home Affairs to staff of LIC;

(b) if so, the details thereof;

(c) whether any mandatory orders have been issued to LIC in this regard;

(d) if not, by what date will it be issued; and

(e) whether LIC will be asked to pay interest?